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IN THE

Supreme Court of the United States

OCTOBER TERM, 1941

No. 680

U. S. INDUSTRIAL CHEMICALS, INC.,
Petitioner,

vs.

CARBIDE AND CARBON CHEMICALS CORPORATION,
Respondent.

REPLY BRIEF FOR PETITIONER

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We submit the following reply to the respondent's brief.

I.

The "same invention"

Respondent's brief does not controvert the fact basis for the petition for certiorari, namely, that in the reissue patent the voluntary addition of water is optional, whereas in the original patent the voluntary addition of water is mandatory, as was stated specifically by the lower Court as follows:

1. "the voluntary introduction of water was a mandatory provision of the original Lefort patent" (App. R. 176).

2. "the reissue patent does *not* contemplate the voluntary introduction of water" (App. R. 176).

3. "*there is a difference* here in that the original patent contemplated the voluntary introduction of water * * * as a step that would always be taken * * * while Claims #8 and #9 [of the reissue] contain no such requirement, and indeed seem to negative clearly any such step" (App. R. 177).

Petitioner's position is that, this being the fact, the interpretation of the reissue statute adopted by this Court requires, as a matter of law, that the reissue claims must be declared invalid.

Respondent's brief does not discuss this matter. It includes no reference to the facts stated above by quotation from the lower Court's opinion. It discusses only the false issue of the scientific aspect of the change, relying upon findings of the lower Court that, from a technological standpoint, the difference between the original and reissue patents is not essential, vital, material or substantial because the same result can be obtained whether water is voluntarily added or not. This is an evasion of the very point before the Court.

Petitioner's position is that where a patentee asserts a step of a process as *mandatory*, as was found to be the fact here, he thereby makes it an essential part of his invention and a limitation on his monopoly. Having conceived the process as one in which that step must necessarily be taken and so informed the public in his original patent, he cannot thereafter reissue the patent to omit the step asserted as mandatory in the original merely because afterthought or further investigation reveals that as a matter of scientific

fact a similar result may be achieved even though the step be omitted. Such a reissue is for a different invention as a matter of law regardless of the scientific or technical aspect of the change. That is the interpretation of the reissue statute adopted by this Court and stated in the decisions of this Court and of the Courts of Appeals cited in our main brief. The ruling of the Court below is in direct conflict with those decisions. Respondent offers nothing by way of distinguishing the instant case from the conflicting decisions in which such a reissue has been held invalid; it refers to many cases in its brief, but it does not present any case validating a reissue patent which makes permissive a step in a process described as mandatory in the original.

Also, respondent's brief erroneously states that the Courts below rested their rejection of the defense of different invention upon findings in which they concurred. The District Court accepted the contention of respondent, repeated in its brief before this Court (Res. Br., p. 9) and urged by respondent before the Court of Appeals, that the description of the original patent makes the introdacion of water permissive and optional (Supp. R. 8, 9, 12). The Court of Appeals rejected that contention, holding expressly that the description of the original patent makes the introduction of water mandatory. Thus, instead of concurring views of the lower Courts as is made to appear in respondent's brief, the lower Courts have recorded conflicting views on this issue of "same invention."

Respondent says (Br. p. 13) there are two cases involving this issue of "same invention" decided by this Court since the organization of the Courts of Appeals contrary to the statement on page 21 of petitioner's brief. Those two cases did require some consideration of this "same in-

vention" issue along with other issues of patentable novelty and scope. They add nothing of interest here to what appears in the cases we cited beyond specific applications of the principles which this Court had enunciated.

In *Abercrombie & Fitch Co.* v. *Baldwin*, 245 U. S. 198, the original patent under consideration described a certain stirrer as having its end bent, and the specification of the reissue included the statement that "it is obvious that the stirrer need not always be formed with a bent end." This Court, in rejecting the contention of new matter, said (p. 208):

> "One or the other might be better, according to the extent of the dispersion required, and *one naturally suggested the other.*" (Emphasis ours.)

That case lends no support to respondent. This appears from the quoted statement, for it is plain that to assert a step as mandatory does not "naturally suggest" that it may be omitted.

The other case, *Vandenburgh* v. *Truscon Co.*, 261 U. S. 6, held a reissue invalid on the ground that a patent cannot be extended by reissue to a field beyond its original intention in accord with all of the many other decisions of this Court from *Burr* v. *Duryee* in 1873 (1 Wall. 531), to *Olin* v. *Timken* in 1894 (155 U. S. 141).

II.

Intervening Rights

The conflict of decision between the Court of Appeals of the Fourth Circuit in this case and the Court of Appeals for the Second Circuit in the *Otis Elevator* case is of great consequence. It involves the availability of the defense

of intervening rights to one who engaged in experimental and development work prior to the reissue and by that experimental work completed the development of his process prior to the reissue, but who did not get the actual commercial use of the process under way until after the grant of the reissue. The Court below held that intervening rights do not arise where the intervenor's activity prior to the reissue was confined to experimental and development work. The Court of Appeals for the Second Circuit held that intervening rights can be predicated upon experimental and development work prior to the reissue leading by an unbroken succession of events to commercial use after the reissue (Pet. Br., pp. 25-26).

Respondent's brief does not discuss this question. Instead, it discusses whether the date of application for reissue, or the date of its grant, is controlling, a question which is of no moment here because, of the total sum of $151,000.00 spent by petitioner on its experimental and development work, $132,000.00 was spent prior to the application for the reissue and $19,000.00 more before the reissue was granted (Supp. R. 226).

III.

Further litigation improbable

Respondent does not question the statement of fact in the petition that a plant for the production of ethlyene oxide by the accused process of a size offering any prospect of profit would cost in excess of half a million dollars. A smaller plant, costing less, would be unprofitable and could be ignored by the patent owner for he would know that its

operation would be discontinued ultimately. It would not be necessary to sue such an infringer and doubtless the patent owner would not hazard his patent or incur the expense of a suit to suppress such harmless competition.

Respondent says there are potential infringers in other circuits and of that we entertain no doubt. Our statement is that those potential infringers will not become actual ones. Respondent does not take issue with that, and in that fact lies the reason why there will not be litigation of this patent in another circuit.

Respectfully submitted,

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